Declassified in Part - Sanitized Copy Approved for Release 2011/12/29: CIA-RDP88B00443R000401950019-6

SECRET

ALA/MC/N

25X1

2+Arx

INCOMING 07/46/ SECRET 29 FRP: ,2,3,4, , , IMMEDIATE STATE ______ 86 0648982 SSO PAGE 001 NC 0648982 TOR: 230232Z APR 86 CARACA 03863 OO RUEAIIB ZNY SSSSS ZOC STATE ZZH STU2985 OO RUEHC RUEHLL DE RUEHCV #3863/01 1121910 ZNY SSSSS ZZH O 221907Z APR 86 FM AMEMBASSY CARACAS

EXDIS/CONTRA, FOR EXDIS/CONTRA DISTRIBUTION

TO RUEHC/SECSTATE WASHDC IMMEDIATE 1271 INFO RUEHLL/CONTADORA COLLECTIVE IMMEDIATE

C R E T CARACAS 03863

FROM AMBASSADOR HABIB

BT

E.O. 12356: DECL: DADR TAGS: PREL, VE, XK, NU SUBJECT: HABIB TRIP: MEETING WITH PRESIDENT LUSINCHI, APRIL 21

1. SECRET - ENTIRE TEXT.

SUMMARY: CHARGE FLOWER AND I HAD A GOOD THOUGH GENERAL, DISCUSSION WITH PRESIDENT LUSINCHI AND FOREIGN MINISTER CONSALVI APRIL 21. THE MOST INTERESTING POINT TO EMERGE FROM THE VENEZUELAN SIDE WAS CONSALVI'S ASSERTION THAT, FOLLOWING THE CONTADORA MEETING IN PANAMA, LATIN AND EUROPEAN POLITICAL PRESSURE HAD SUCCEEDED DRAMATICALLY IN BACKING THE SANDINISTAS OFF THEIR INTRANSIGENT POSITION. THE SANDINISTAS ARE NOW WILLING TO SIGN ON JUNE 6, CONSALVI SAID (LUSINCHI WAS NOT SO SURE). I POINTED OUT THAT IT IS A COMMUNIST TACTIC TO ADOPT EXTREME POSITIONS TO WIN CONCESSIONS FOR DROPPING THEM. I TOLD THE VENEZUELANS EMPHATICALLY -- AND REPEATED IT TWICE -- THAT IN TAKING ON THE CENTRAL AMERICAN CRISIS, THE CONTADORA COUNTRIES HAD ASSUMED THE RESPONSIBILITY NOT JUST TO GET ANY AGREEMENT, BUT TO GET A GOOD AGREEMENT. I EXPRESSED OUR CONCERN THAT, TO GET AN AGREEMENT, CONCESSIONS MIGHT BE MADE TO NICARAGUA THAT WOULD RENDER A TREATY UNWORKABLE. THE CENTRAL AMERICANS, I NOTED, HAVE THE SAME CONCERNS. I SAID THAT NEGOTIATIONS ARE REACHING A POSSIBLY FINAL STAGE. THE UNITED STATES IS BEING ASKED TO MAKE CONCESSIONS. BUT WE ARE NOT BEING TOLD WHAT WE MIGHT GET IN RETURN, WHAT TEXT IS THE BASIS FOR NEGOTIATION, OR WHAT PROPOSALS ARE ON THE TABLE. TAKING THE POINT, LUSINCHI AND CONSALVI WERE BOTH RECEPTIVE TO MY SUGGESTION TO IMPROVE COMMUNICATIONS AT THE STAFF LEVEL. END SUMMARY.

AFTER INTRODUCTORY REMARKS -- ON THE NEED TO COMBINE PRESSURE WITH A DIPLOMATIC OPTION AND THE

SECRET

SECRET

86 0648982 SSO

PAGE 002 TOR: 230232Z APR 86

NC 0648982 CARACA 03863

RESPONSIBILITY OF THE CONTADORA COUNTRIES TO PRO-DUCE AN AGREEMENT THAT IS COMPREHENSIVE, VERIFIABLE AND SIMULTANEOUS -- I ASKED PRESIDENT LUSINCHI TO ASSESS WHERE CONTADORA IS GOING AFTER THE APRIL 5-7 MEETING IN PANAMA. IN RESPONSE, LUSINCHI SPOKE GENERALLY OF CONTADORA OBJECTIVES. HE SAID GETTING NICARAGUA TO SIGN IS THE FOCUS OF EFFORTS NOW (HE SUSPECTS THE SANDINISTAS WILL ULTIMATELY REFUSE) AND NOTED THAT CONTADORA COULD NOT BE PROLONGED INDEFINITELY. AT THE PRESIDENT'S INVITATION, CONSALVI THEN SPOKE OF THE PANAMA MEETING AND AFTERMATH IN TERMS THAT CONTRAST SHARPLY WITH WHAT WE WERE HEARING JUST AFTER THE MEETING. IN THE DAYS AFTER PANAMA, CONSALVI SAID, THE CONTADORA AND SOME EUROPEAN (E.G., SPAIN) COUNTRIES PUT ENORMOUS POLITICAL PRESSURE ON NICARAGUA TO CHANGE ITS POSI-TION. THAT PRESSURE HAD SUCCEEDED DRAMATICALLY, CONSALVI CLAIMED. NICARAGUA IS NOW WILLING TO SIGN. THAT WILLINGNESS IS SOLID EVIDENCE, CONSALVI INDICATED. THAT CONTADORA'S PREMISE THAT THE LATINS CAN PRESSURE NICARAGUA SUCCESSFULLY IS VALID. CONSALVI WENT ON TO SAY THAT CONTADORA VIEWS SIGNATURE OF AN AGREEMENT NOT AS AN END BUT AS THE BEGINNING OF A NEW PHASE IN WHICH THE CONTADORA COUNTRIES WOULD FOLLOW UP ENERGETICALLY TO ENSURE NICARAGUAN COMPLIANCE WITH TREATY COMMITMENTS.

- IN EXCHANGES THAT FOLLOWED, I EXPRESSED STRONG DOUBT THAT LATIN PRESSURE HAD CHANGED THE NICARAGUAN POSITIONS OR THAT THE NICARAGUAN POSITION HAD IN FACT CHANGED. AS I HAD WITH THE CENTRAL AMERICANS, I SAID IT IS AN OLD COMMUNIST TACTIC TO ADOPT INTRANSIGENT POSITIONS IN ORDER TO WRING CONCESSIONS IN EXCHANGE FOR DROPPING THEM. I SAID WE ARE CON-CERNED THAT CONTADORA WILL MAKE UNWISE CONCESSIONS TO GET NICARAGUA TO SIGN. SECURITY PROVISIONS MAY BE WATERED DOWN, PIECEMEAL APPROACHES ADOPTED OR WEAK VERIFICATION PROCEDURES LEFT UNSTRENGTHENED AND UNDEFINED. I NOTED THAT NICARAGUA DOES NOT APPEAR TO US TO HAVE DROPPED ITS PRECONDITIONS FOR SIGNING ("U.S. AGGRESSION MUST CEASE"). THESE ALLEGED NICARAGUAN STATEMENTS ABOUT READINESS TO SIGN MIGHT BE COUPLED TO THEIR DEMANDS ON THE U.S. TO END AID TO THE CONTRAS PRIOR TO THE SANDINISTAS RESUMING NEGOTIATIONS IN CONTADORA. I NOTED THAT THIS ATTITUDE WAS CONSISTENT ALSO WITH THE UN-ACCEPTABLE PROPOSALS OF THE SANDINISTAS TO NEGO-TIATE SECURITY ARRANGEMENTS BILATERALLY WITH THE U.S. AND ADDED THAT WE HAD NOT CHANGED OUR VIEW THAT WE WOULD MEET BILATERALLY WHEN THE SANDINISTAS MEET WITH THEIR INTERNAL AND EXTERNAL OPPOSITION. MAKING THE SAME POINT DIFFERENTLY, I SAID THAT NICARAGUA HAS ADOPTED A PRECONDITION FOR SIGNING THAT IS UNACHIEVABLE EXCEPT IN THE CONTEXT OF TREATY IMPLEMENTATION. WE THEREFORE HAVE DOUBTS THAT NICARAGUA IS ACTING IN GOOD FAITH.
- 5. REFERRING TO MY CONVERSATIONS IN CENTRAL AMERICA, I SAID THAT OUR DOUBTS ARE SHARED BY THE DEMOCRACIES THERE. OUR CONCERNS ARE HEIGHTENED BECAUSE CONTADORA IS ENTERING WHAT APPEARS TO BE A FINAL PHASE AND THE U.S. IS IN EFFECT BEING ASKED TO MAKE CONCESSIONS WITHOUT BEING TOLD WHAT WE MIGHT GET IN RETURN, WHAT TEXT IS THE BASIS FOR NEGOTIATIONS OR THE NATURE OF NEW PROPOSALS ON THE TABLE. BOTH LUSINCHI AND CONSALVI SEEMED TO TAKE THIS POINT AND RESPONDED POSITIVELY TO THE IDEA OF HOLDING DETAILED, STAFF-LEVEL DISCUSSIONS ON THE STATUS OF THE PROPOSED AGREEMENT. AFTER AN INTERLUDE, I MADE SOME OF THE SAME POINTS AGAIN,

SECRET

SECRET

86 0648982 SSD

PAGE 003 TOR: 230232Z APR 86 NC 0648982 CARACA 03863

PARTICULARLY THAT, IN TAKING ON THE CENTRAL AMERICAN CRISIS, THE LATINS ASSUMED A SERIOUS RESPONSIBILITY TO PRODUCE AN EFFECTIVE AGREEMENT.

6. LUSINCHI TOOK ALL THIS IN GOOD GRACE. HE SAID U.S. AND VENEZUELAN VIEWS COINCIDE AND THAT HE VIEWED THE FACT OF MY APPOINTMENT, LETTER (TO DEMOCRATIC CONGRESSMEN) AND VISIT AS POSITIVE AND REASSURING. CONSALVI ALLOWED THAT VERIFICATION ISSUES ARE IMPLICIT IN SECURITY ISSUES STILL TO BE NEGOTIATED AND AGREED THAT THE MOMENT HAS ARRIVED WHEN A CONTADORA TEXT MUST BE MADE MORE PRECISE.

IN DESULTORY OBSERVATIONS PROMPTED BY HIS VISITS TO URUGUAY AND ARGENTINA, LUSINCHI SAID SOUTHERN CONE VIEWS ON CENTRAL AMERICA ARE "LESS EUROPEAN" (I.E., MORE REALISTIC) THAN THEY USED TO BE. (HE ONCE COMPLAINED TO AMB. SHLAUDEMAN OF THE "TERRIBLE DILETTANTISM" OF THE SOUTH AMERICANS TO THE SOUTH OF VENEZUELA.) HE SPOKE APPROVINGLY OF CAPUTO. IGLESIAS (THE BEST KNOWN TO THE VENEZUELANS) AND SODRE. THE TWO CONTADORA GROUPS ARE NOW COMPLETELY INTEGRATED, HE NOTED. IN A RUNDOWN ON CENTRAL AMERICAN PERSONALITIES, LUSINCHI ALSO PRAISED THE CURRENT LEADERSHIP IN THE DEMOCRACIES AND AGREED WITH ME THAT THE CENTRAL AMERICAN DEMOCRACIES HAD TO BE LISTENED TO AND SUPPORTED. RETURNING TO THIS THEME LATER, HE SAID THAT VENEZUELA SUPPORTS THE (WILSONIAN) CONCEPT OF SELF-DETERMINATION THROUGH DEMOCRACY, NOT THE (SANDINISTA) IDEA THAT SELF-DETERMINATION IS A RIGHT TO BE LEFT ALONE TO DO WHATEVER YOU WANT WITHIN YOUR BORDERS. HE AGAIN RETURNED TO THE IMPORTANCE OF MY VISIT AND THE IMPORTANCE OF THE UNITED STATES BEING PERCEIVED THROUGHOUT LATIN AMERICA AS SUPPORTING A PEACEFUL SOLUTION. FLOWER END OF MESSAGE SECRET

SECRET